



**SENATE
STATE OF COLORADO
DENVER**

July 3, 2019

Mr. Duane D. Highley
Chief Executive Officer
Tri-State Generation & Transmission Association, Inc.
1100 W 116th Ave, Westminster, CO 80234

Mr. Rick Gordon
Chairman of the Board
Tri-State Generation & Transmission Ass'n, Inc.
1100 W 116th Ave, Westminster, CO 80234

Re: Tri-State and FERC Regulation

Dear Mr. Highley and Mr. Gordon:

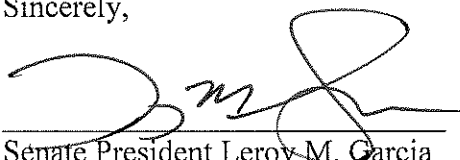
We understand that Tri-State Generation and Transmission Association, Inc. (Tri-State) has a proposal to voluntarily have rates and charges subjected to general Federal Energy Regulatory Commission (FERC) jurisdiction. Tri-State's plan, unveiled just weeks ago and slated for a Board vote this month, has Tri-State naming a new FERC-regulated entity as one of its member-owners. A decision of this magnitude requires careful deliberation and extremely thorough consideration of the impacts to member-owners and the customers they serve.

Just months ago, the Colorado General Assembly worked closely with Tri-State and other stakeholders on Senate Bill 19-236, a historic and important piece of energy legislation designed to move our state energy policy forward in a cost-effective and environmentally-conscious manner. Among other things, this legislation was a collaborative process meant to ensure the Colorado Public Utilities Commission (PUC) oversight of key aspects of Tri-State's resource planning. However, Tri-State did not inform us that during these discussions it was simultaneously planning to implement changes that would transition regulatory authority to FERC, thereby potentially undermining critical parts of the very resource planning oversight it was negotiating. Given the connection between rates and resource planning, we are concerned that Tri-State was not more transparent about the possibility of transitioning to FERC oversight during this negotiation.

We need to better understand the potential of Tri-State's plan to remove its rural member-owners from the protections of Colorado law and deprive entities like the PUC and General Assembly of their respective roles in ensuring Coloradans pay just, reasonable, and nondiscriminatory rates.

With these concerns in mind, we strongly urge Tri-State to delay the vote of the Board for several weeks in order to meaningfully review the consequences that this impactful decision will have for Colorado ratepayers. As you may know, the General Assembly has convened an Interim Energy Legislation Review Committee this year, and we welcome the opportunity to study this issue to better understand and evaluate the interests of affected parties. Tri-State has a responsibility to properly engage with member-owners and other stakeholders charged with protecting the public interest to effectively evaluate the consequences of this decision before a vote is taken. Further, given the intent of Senate Bill 19-236 and the potential impacts of Tri-State's actions on this intent, the General Assembly looks forward to making clarifications through legislative initiatives in the coming session focused on cooperative governance, transparency, and accountability to the public interest.

Sincerely,



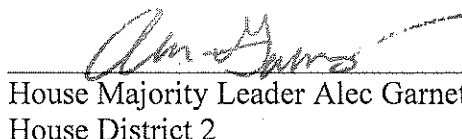
Senate President Leroy M. Garcia
District 3



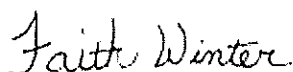
Speaker of the House KC Becker
District 13



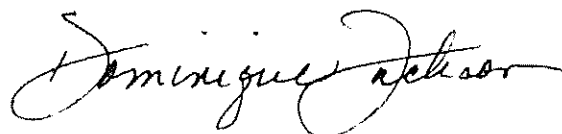
Senate Majority Leader Stephen Fenberg
Senate District 18



House Majority Leader Alec Garnett
House District 2



Chairwoman Faith Winter
Senate Energy and Transportation Committee
Senate District 24



Chairwoman Dominique Jackson
House Energy and Environment Committee
House District 42



Chairman Chris Hansen
Interim Energy Legislation Review Committee
House District 6

cc : Hon. Jared Polis, Governor of the State of Colorado
Hon. Philip Weiser, Attorney General of the State of Colorado